



September 13, 2011

## **Legislative Audit Report Issued: “Educational Programs for Working Adults” at Wisconsin Technical Colleges**

- *Audit confirms significant offerings available at night and on-line for “working adults.”*
- *Reviews colleges’ growing role providing services to dislocated workers.*
- *Reviews leasing of college space to other colleges for instruction.*
- *Audit recommendations focus on review of district policies and reporting updates and information to the legislature. No audit findings identify significant problems or the need for corrective action.*
- *Audit was requested after 2009 bill mandating 1/3 of technical college courses be taught after 5 p.m. failed to pass.*

The State Legislative Audit Bureau (LAB) has issued “letter report” findings concerning its audit of Wisconsin technical college offerings for “working adults.” The LAB is the state’s highly-regarded and non-political service agency working at the direction of the Legislature’s Joint Committee on Audit. This audit focused on three topics:

- the scope of technical college offerings available for “working adults,” defined as evening, weekend and on-line offerings;
- technical college services provided to dislocated workers; and,
- the lease of college space to other education providers.

Each of the three audit areas is reviewed in greater detail, below.

While the audit report is detailed and reviews significant data and information, it does not identify any significant problems or make any recommendations for corrective action. Importantly, the audit makes no recommendations at all concerning the central topic of technical college offerings for “working adults” in the evening, on weekends and on-line. The audit’s three recommendation areas are limited to: proposing districts review their rental of facilities policies, proposing districts report to the legislature about how changing federal funding will affect strategies for serving dislocated workers, and, proposing that additional data be reported on the employment of previously dislocated workers in new jobs after technical college training.

## **Failed Legislation Preceded Audit Request**

This audit was requested in late 2009 by former Representative Marlin Schneider (D-Wisconsin Rapids) after a bill he introduced failed to pass. The bill, AB 51 in the 2009-10 session, would have mandated that 1/3<sup>rd</sup> of all technical college courses be offered after 5 p.m., and that every technical college course be offered at night at least once each three years. The District Boards Association opposed the bill.

At the time, we testified that approximately 1/3<sup>rd</sup> of offerings statewide were already offered after 5 p.m., on weekends or on-line without specific course times. We also argued that technical colleges decide when to offer courses by balancing learner needs with factors such as facility and faculty availability and cost. We pointed out that some courses must be offered during daylight hours, such as courses in law enforcement, power distribution, truck driver training, urban forestry, surveying, pilot training, and other programs.

We noted that technical colleges also run student-based restaurant facilities, dental hygiene clinics, and childcare facilities that are part of the formal curriculum and have carefully balanced service and instructional hours. Other courses must be taught when a private sector partner will host students for clinicals or allow the use of their facilities. Finally, we argued that local college boards and college administration are in the best position to decide when to offer technical college classes.

After the bill stalled, Representative Schneider corresponded with district board members expressing concerns about the lack of evening offerings. Each district responded. Soon after, the representative requested this audit.

The Joint Legislative Committee on Audit met to consider Representative Schneider's request in January, 2010. This committee is comprised of 10 legislators with 5 members from each house (3 members of the majority party and 2 members of the minority party). The request lingered for several months but was eventually approved by the audit committee in July, 2010. The approval charged the Legislative Audit Bureau (LAB) to review three areas of technical college offerings and services, which are discussed individually:

### **Non-Daytime (Evening, Weekend and On-line) Offerings for Working Adults**

The LAB studied offerings at all 16 districts and determined that 32% of associate degree courses were offered at night (after 5 p.m.), on weekends or on-line in Spring, 2010. This calculation is conservative as the LAB noted that other courses may have "open lab," independent study, internship, clinical study, or other flexible arrangements. However, these were not included in the results because the LAB could not readily confirm whether they had some daytime weekday attendance requirements.

The LAB noted that only one district, Gateway, has a formal course scheduling policy. Gateway was also the leading district in associate degree courses offered in the evening (26.5%) and on-line (18.1%) in Spring, 2010. Absent a formal policy, all

districts reported that they schedule courses the same basic way: based on student needs, balanced with resource and facility factors.

Besides total course offerings, the audit looked at several complete programs across six districts (Blackhawk, Chippewa Valley, Gateway, Mid-State, Milwaukee and Northeast). The programs included popular 2-year programs (Criminal justice-Law Enforcement, HVAC Technology, Mechanical Design and Nursing) and 1-year programs (Dental Assistant and Welding). The LAB found a wide variance in schedules for these programs' courses ranging from 0% to 100% of courses offered at night, on weekends or on-line.

Importantly, the audit noted that this wide variance was consistent with the districts' described practices. That is, the variation in when these programs' courses were offered was largely due to student interest, when faculty and facilities are available, and the need to schedule clinical experiences with outside partners.

### **On-Line Offerings Grow**

The LAB focused its statewide review on the period from Fall, 2007, to Spring, 2010. Over this period, the number of on-line courses increased 46.4%, while statewide FTE enrollment increased about 17%. The total number of associate degree courses available on-line increased to more than 2,800 by Spring, 2010. The audit also found that 21 associate degree programs were offered entirely on-line statewide as of Spring, 2010.

The study area of evening, weekend and on-line offerings serving working adults did not result in any specific recommendations. This is positive and does not appear to be typical for most detailed audit studies.

### **Serving Dislocated Workers**

The audit also looked at technical college services for dislocated workers. The LAB noted the challenges in identifying and classifying exactly who are "dislocated" workers. The report states that the colleges and system lack a "uniform and consistent" method of identifying dislocated workers. The LAB then focused its review on the services provided to dislocated workers through two federal programs: the Workforce Investment Act (WIA) and Trade Adjustment Assistance (TAA).

The study recognized that unemployment in Wisconsin grew from 4.7% to 8.4% from July, 2007, to June, 2010. More significant increases occurred in the rest of the state. The number of technical college students who self-identified as "unemployed" or "dislocated worker" grew by some 64% statewide during this time, according to the audit report.

The report highlighted some of the special services offered by districts during this period such as Lakeshore establishing an office in a plant scheduled to close, MATC Milwaukee's commitment to the HIRE (Help in Re-Employment) Center, and Madison

College opening its Center for Adult Learning. The report recognized that all districts were providing services heavily used by dislocated workers such as basic education courses, computer literacy courses, counseling and other services.

In terms of federally-supported efforts, dislocated worker training services at technical colleges provided with WIA support grew from about 2,200 individuals in 2007-2008 to more than double that (4,890) in 2009-2010. Individuals served under the TAA, which targets workers whose jobs leave the U.S., almost doubled from 2,182 in 2007-2008 to 4,317 in 2009-2010.

The study noted that these numbers represent service to approximately 70% of Wisconsin's dislocated workers receiving federal support under the two programs. The remaining individuals likely received training in non-technical college programs such as those offered directly by local workforce boards or other community organizations.

The LAB noted the likelihood of a future with reduced federal funding but sustained demand for services to dislocated workers. The report noted that the federal healthcare reform bill included \$2.0 billion nationally over three years for Community College and Career Training Grants. All 16 technical colleges have applied for these grants.

In response, the LAB recommended that the Wisconsin Technical College System report to the Legislative Audit Committee in Fall, 2011, on the results of the CCCT grant competition and the colleges' related strategies to address the continuing needs of dislocated workers.

Finally, the LAB noted that technical colleges have very positive employment data for overall program graduates, including for those who received WIA and TAA assistance. However, the LAB noted that the Department of Workforce Development (DWD), which is responsible overall for WIA client case files, maintains other data that is different from the WTCS data. The LAB also recommended that DWD report to the Audit Committee in Fall, 2011, on its findings concerning the post-training employment of WIA-assisted individuals.

## **Renting College Facilities to Other Education Providers**

The audit's final inquiry area involved facilities rentals to other educational providers. One of the concerns noted by then-Representative Schneider in requesting the audit was that some technical colleges were renting college space to other colleges and universities - especially during evening periods - that might instead be used for additional technical college course offerings.

The LAB noted that 15 of 16 districts have a formal policy concerning facility rentals to outside entities. The 16<sup>th</sup> has an informal policy.

The LAB found that most districts rent or have rented space to varying degrees. The LAB specifically noted 4 districts that have had more significant on-going rental arrangements:

- Gateway (National Louis University and Upper Iowa University) and
- Blackhawk, Nicolet and Northcentral (Upper Iowa University).

Three of these districts have policies prohibiting rentals that would conflict with district academic or extracurricular activities. The fourth, Nicolet, does not have this formal policy, but maintains a consistent informal policy and gives preference for outside rentals to organizations located within its district.

Among the remaining districts, the LAB noted that most districts reported their rental arrangements “expand student and community access to higher education opportunities.” However, the LAB also found that several course offerings by Upper Iowa have similar course titles to the technical college’s own offerings. The LAB determined that these offerings appeared not to be duplicative because they were offered at different levels.

The LAB recommended that each district board review its facility rental policy and develop ways to determine on an ongoing basis if educational programming offered by a lessee represents programming that could instead be offered by the district itself.

## Conclusion

Audits are part of institutional life and serve an important role in accountability. Audits can be routinely performed or triggered by special circumstances. This audit was triggered by circumstances that were special, but that were also limited to the interest and concern of a specific individual and a specific circumstance at one district.

Audits are also helpful tools to provide outside verification and an outside perspective on complex operations and complex organizations. This audit served those purposes. Perhaps most important, the audit also served to corroborate what the district boards have long expressed: *that we seek to be responsive to our local residents’ needs and to be good stewards of the resources they entrust to us.*

It is likely too easy and not completely fair to say an audit was unnecessary once it’s already completed and finds no major problems or deficiencies. Nevertheless, the LAB’s high-quality process and resulting work product involved hundreds and hundreds of staff hours at both the state (LAB and WTCS) and local college levels.

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